

COMMISSION TO EVALUATE THE EFFECTIVENESS AND
FUTURE OF THE
PREMIUM ASSISTANCE PROGRAM

126-A:5-e- Chapter 13:12 – Laws of 2016

Minutes of Meeting

August 28th 2017

The meeting was called to order by Senator Jeb Bradley at 1 PM. He presented an overview of what would be provided to the Commission.

Members Present: Senator Bradley, Senator Carson, Senator Feltes, Rep Rosenwald, Rep Schmidt, Rep Umberger, Jennifer Patterson, Commissioner Myers, Michael Rose and Lisa Guertin.

Senator Feltes moved we accept the minutes of our June 12, 2017 meeting and Commissioner Myers seconded. All voted in favor.

Commissioner Sevigny of the Insurance Department indicated his Department had hired a consulting firm; Gorman Actuarial Inc. to look at the effect of the NH Premium Assistance Program and compared that to what was happening in the individual market place. Bela Gorman presented the briefing which covered the background, data sources, membership, allowed claims costs, demographics, plan design, induced demand, adjusted claims cost, impact of PAP on individual market, risk adjustment. The summary indicated for 2016 suggest that PAP enrollees have higher morbidity than non-PAP enrollees. The PAP population is younger, enrolled in a more comprehensive plan, higher risk scores, and greater claims cost. Due to changes in the market place 2018 may look totally different than 2016.

Following the briefing it was requested that we compare Medicaid population utilization of services to PAP utilization. Commissioner Myers indicated he would prepare this information. A second question was asked: How many ACA enrollees are receiving a subsidy and what percent of enrollees are receiving a subsidy?

Deborah Fournier, Medicaid Director provided a briefing on the PAP program which included enrollment , length of enrolment, reasons for disenrolling, PAP members using substance abuse service, and federal dollars used in 2015-2017. 69 percent of the enrollees are under 45, 12% are considered medically frail and not part of the demonstration. The hospitals use a presumptive eligibility and patients have 30 to 60 days to enroll before they are dropped from the plan and they must renew their eligibility every 12 months. We had a long discussion on why the churn in the program.

Individuals are entering the program, but not completing necessary paperwork to remain in the program. The top reason for leaving the program is income level has increased so they are no longer eligible.

Senator Bradley in an effort to meet the reporting and legislative requirements wants the recommendations from the Commission no later than 1 October. At our next meeting we will try to determine if there are any offsets within state government to continue the program. We need to look at the hospitals uncompensated care costs. We need to discuss if a change to the program might need to take place. One suggestion was medical home vs current structure of PAP. We also need to look at behavioral/ mental health issues to determine if the program is making a difference and we need to further discuss the churn problem.

The following is the schedule for future meetings of the Commission: September 6th at 1 PM. Briefings will be presented. September 13, 20th and 27th meetings will be held at 1PM to finalize possible legislation and the report.

Rep Karen Umberger

Clerk